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INSTITUTE

MEMORANDUM

FROM: Randal O'Toole
RE: Response Inquiry 2
DATE: September 15, 2020

Inquiry 2

Congestion will still be an issue in the future; though it will not be as severe immediately following the COVID pandemic than it was before. Congestion happens because roads are poorly priced. Unless a better pricing system, such as congestion tolls or mileage-based user fees with variations in fees by time of day or amount of traffic, is introduced, congestion will return. Only better road pricing will prevent it.

Public transit agencies are not likely to recover more than 75 to 80 percent of their pre-pandemic customers. This will create revenue problems for them and raises questions about their value at all. Texas has one of the nation's highest rates of automobile ownership, so the notion that taxpayers need to keep subsidizing transit to support people who can't afford automobiles is no longer credible. It would be more efficient and more effective to provide low-income people with transportation vouchers that they can apply to any form of transportation than to keep subsidizing transit.